



Report to the Auburn City Council

Action Item

Agenda Item No. **10**City Manager Approval

To: Mayor and City Council Members
From: Bernie Schroeder, Director of Public Works
Andy Heath, Director of Administrative Services
Megan Siren, Administrative Analyst
Date: June 25, 2012
Subject: 2012/2013 Sewer Assessment to be placed on the Placer County Tax Roll

The Issue

Shall Council authorize a noticed public hearing and the submission of the sewer service charges for the 2012/2013 fiscal year to Placer County for collection?

Conclusion and Recommendation

Staff recommends that City Council

1. Conduct a public hearing to authorize the 2012/2013 fiscal year sewer service charges placement on the County of Placer Tax Roll.
2. BY RESOLUTION, authorize the levy of sewer service charges for Fiscal Year 2012/2013 to be placed on the County of Placer Tax Roll.

Background

On May 14, 2011, Council directed staff to institute the previously adopted increase to the Sewer Service Use Charge for Fiscal Year 2012/2012 to \$60.50 per sewer unit.

Collecting of the majority of the City of Auburn Sewer Service Use Charges are accomplished by placing the charges on the County of Placer Tax Rolls. These charges appear as Tax Code No. 60600 on each separate property tax bill and are collected by the Placer County Tax Collector and subsequently distributed twice each fiscal year to the City.

City of Auburn Municipal Code Section 52.029(B) requires the Administrative Services Director to prepare and file with the City Clerk a written report containing the description of each premises connected to or discharging any sewage into the sanitary sewer system of the City, and the amount of the Sewer Service Use Charge for each premises for the upcoming fiscal year.

For Fiscal Year 2012/2013, the Sewer Service Use Charge was based on Council's direction at the May 14, 2012 City Council meeting to set the Sewer Service Use Charge at \$60.50/EDU (Equivalent Dwelling Unit).

The Sewer Service Use Charge Report for Fiscal Year 2012/2013 has been available for review in the City Clerk's Office, Administrative Services Department and the Public Works Department since June 5, 2012; the report contains the necessary information for the assessment of approximately \$4.9 million in Sewer Service Use Charges. A notice of public hearing was published in accordance with law in the Auburn Journal on June 10, 2012 and June 20, 2012.

Sewer Service Use Charges are set to be assessed in accordance with the rates approved by the City Council on June 25, 2007, subsequent to a Proposition 218 noticing requirement that was mailed in April 2007 to property owners regarding rate increases.

Each year the City is required to conduct a Public Hearing and adopt a resolution authorizing the collection of the City of Auburn Sewer Service Use Charges to be placed on the County of Placer Tax Roll.

Alternatives Available to Council; Implications of Alternatives

1. Proceed with Staff Recommendation
2. Do not proceed with staff recommendation

Fiscal Impact

An estimated 5,288 accounts will generate \$4.9 million in Sewer Service Use Charges during Fiscal Year 2012/13.

The 2012/2013 Sewer Service Use Charge Report is available for review in the Administrative Services Department, City Clerk's Office and the Public Works Department.

1 RESOLUTION NO. 12-
2 RESOLUTION DETERMINING SEWER SERVICE CHARGES FOR FISCAL YEAR
3 2012-2013 AND DIRECTING THE COLLECTION OF SUCH CHARGES ON THE
4 PLACER COUNTY TAX ROLL
5 -----

6 TAX CODE NUMBER 60600

7 DIRECT CHARGE NAME City of Auburn Sewer Assessment

8 Whereas, the City of Auburn (hereinafter "City") requests the County of Placer
9 collect on the County tax rolls certain charges which have been imposed
10 pursuant to Section 5473 of the California Health & Safety Code and Section
11 52.029 of the Auburn Municipal Code, the City has elected to have its sewer
12 service charges collected on the County Tax Roll in the same manner, by the
13 same persons, and at the same time as, together with and not separately
14 from, the City's general taxes;

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16 Whereas, the Director of Administrative Services has filed with the City Clerk a
17 report (the "Report") containing a description of each parcel of real property
18 receiving sewer service and the amount of the sewer service charges for Fiscal
19 Year 2012-13 for each such parcel; and

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21 Whereas, the Report is on file in the Office of the City Clerk, available for public
22 inspection, and incorporated herein by reference; and

23 Whereas, the rates set forth in the Report are calculated at the \$60.50 per
24 month per sewer unit.

25 Whereas, on June 25, 2012, the City Council held a full and fair public hearing
26 at which it considered all objections and protests to the Report; and

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28 Whereas, notice of the public hearing was published as required by law.

1 Whereas, the County has required as a condition of the collection of said
2 charges that the City warrant the legality of said charges and defend and
3 indemnify the County from any challenge to the legality thereof,

4 Now, Therefore, Be It Hereby Resolved by the Council of the City of Auburn
5 that:

6 1. The Auditor-Controller of Placer County is requested to attach for
7 collection on the County tax rolls those taxes, assessments, fees and/or
8 charges, attached hereto.

9 2. The City warrants and represents that the taxes, assessments, fees
10 and/or charges imposed by the District/City and being requested to be
11 collected by Placer County comply with all requirements of state law,
12 including but not limited to Articles XIIIIC and XIIID of the California
13 Constitution (Proposition 218).

14 3. The City releases and discharges County, and its officers, agents and
15 employees from any and all claims, demands, liabilities, costs and
16 expenses, damages, causes of action, and judgments, in any manner
17 arising out of the collection by County on the property tax roll of any
18 taxes, assessments, fees and/or charges on behalf of City.

19 4. In consideration for the County's collection of the charge through the
20 County's property tax roll, the City agrees to and shall defend, indemnify
21 and hold harmless the County, its officers, agents and employees (the
22 "Indemnified Parties") from any and all claims, demands, liabilities, costs
23 and expenses, damages, causes of action, and judgments, in any
24 manner arising out of the collection by County of any of City's said
25 taxes, assessments, fees and/or charges requested to be collected by
26 County for City, or in any manner arising out of City's establishment and
27 imposition of said taxes, assessments, fees and/or charges. City agrees
28 that, in the event a judgment is entered in a court of law against any of

1 the Indemnified Parties as a result of the collection of one of City's taxes,
2 assessments, fees and/or charges, the County may offset the amount of
3 the judgment from any other monies collected by County on behalf of
4 City, including property taxes.

5 5. The City agrees that its officers, agents and employees will cooperate
6 with the County by responding to all inquiries referred to City by County
7 from any person concerning the City's taxes, assessments, fees and/or
8 charges, and that City will not refer such persons to County officers and
9 employees for response.

10 6. The City agrees to pay the County for the reasonable and ordinary
11 charges to recoup its costs of placement and collection on the tax rolls at
12 the agreed upon rate of 1% of the taxes, assessments, fees and/or
13 charges, as provided by Government Code sections 29304 and 51800.

14 7. That each of the above recitals is true and correct.

15 8. That the City Council hereby approves the Report, determines the service
16 charges as set forth in the Report, determines that there is no majority
17 protest to such charges, and overrules that any protests or objections to
18 such charges.

19 9. That the City Council authorizes the levy of sewer service charges for
20 Fiscal Year 2012-2013 to be placed on the County of Placer Tax Roll.

21 10. That staff are directed to take all actions necessary to ensure that the
22 charges are transmitted to the County and placed on the Tax Roll.

23 DATED: June 25, 2012

24 _____
25 Kevin Hanley, Mayor

26 ATTEST:

27 _____
28 Joseph G. R. Labrie, City Clerk

1 I, Joseph G. R. Labrie, City Clerk of the City of Auburn, hereby certify
2 that the foregoing resolution was duly passed at a regular meeting of the City
3 Council of the City of Auburn held on the 25th day of June 2012 by the
4 following vote on roll call:

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6 Ayes:
7 Noes:
8 Absent:

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10 Joseph G. R. Labrie, City Clerk
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